

Advisory Committee on Equal Opportunities for Women and Men

Opinion¹² on the effectiveness of the current legal framework on equal pay for equal work or work of equal value in tackling the gender pay gap

1) The background and mandate of the working group

The Advisory Committee decided at its meeting on 18 December 2008 to set up a working group to prepare an Opinion on the effectiveness of the current legal framework on equal pay for equal work or work of equal value in tackling the gender pay gap.

The purpose of this Opinion is to highlight the ‘invisible’ obstacles that persist and in so doing provide recommendations on how these can be overcome. The gender pay gap should be seen as the “tip of the iceberg” in which a broader range of inequalities between women and men are embedded.

2) What are the main causes for the persistent high gender pay gap in Europe?

Article 119 of the founding Treaty (1957) specifically stated that there should be no differentiation of pay between women and men, to avoid unfair competition between women and men as workers and between countries. By establishing the principle of equal pay for work of equal value, it implicitly recognised the gender-segregated structure of the labour market in which some sectors of the economy are dominated by either sex. Furthermore, the Equal Pay Directive of 1975 explicitly set out to confirm this by defining in article 1: "*principle of equal pay*", means, for the same work or for work to which equal value is attributed, the elimination of all discrimination on grounds of sex with regard to all aspects and conditions of remuneration.³

Despite the fact that the principle of equal pay is reflected both in the resolution of the European Parliament of 18 November 2008 with recommendations to the Commission on the application of the principle of equal pay for men and women (2008/2012(INI)) and in national legislation strengthened by numerous decisions of the European Court of Justice, the current average pay gap across the European Union (EU) remains very high: across Europe women earn on average 17.4%⁴ less than men and in some countries the gender pay gap is widening.

Clearly, while legislation is necessary, it is not enough neither to tackle the gender pay gap and in particular it has failed to address the discretionary aspects related to pay which impact disproportionately on women, nor to tackle or at least diminish the structural reasons of the gender pay gap.

There are multiple, complex and often interrelated causes for the existence of the gender pay gap, causes lying in structural factors as well as indirect discrimination. Therefore, measures have to fit to this multiple/complex nature. The pay gap is linked to a number of legal, social and economic

¹ The opinion of the Advisory Committee does not necessarily reflect the positions of the Member States and does not bind the Member States

² The opinion is not supported by BUSINESSEUROPE, the European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest (CEEP) and the European Association of Craft, Small- and Medium sized enterprises (UEAPME).

³ Council Directive 75/117/EEC of 10 February 1975 on the approximation of the laws of the Member States relating to the application of the principle of equal pay for men and women

⁴ Eurostat, 2007

factors which go far beyond the single issue of equal pay for equal work or for work of equal value.

As the Commission itself has recognised⁵, the pay gap is not necessarily an indicator of the overall (in)equality between women and men since it only concerns salaried persons. The Commission has identified three main types of working patterns of the labour market:

- Low female employment rate (e.g. Malta, Hungary, Italy, Greece, and Poland). In these states (except Greece) the pay gap is lower than average, which may reflect the small proportion of low-skilled or unskilled women in the workforce.
- Labour market which is highly segregated (e.g. Cyprus, Estonia, Slovakia, and Finland). Such markets tend to produce large gender pay gaps, as women tend to work in sectors which are more poorly paid.
- Labour markets where a significant proportion of women work part-time (e.g. Denmark, United Kingdom, The Netherlands, Austria, Sweden, Germany). As part-time jobs tend to be less well paid than full-time ones, these markets also tend to produce large gender pay gaps.

Before going into the factors that cause the gender pay gap it should be recalled that when referring to pay we refer to the definition of remuneration contained in Article 141.2 of the EC Treaty and art. 2 of Directive 2006/54 “the term remuneration includes” the ordinary basic or minimum wage or salary and any other consideration, whether in cash or in kind, which the worker receives directly, or indirectly, in respect of his/her employment from his/her employer.

This aim to ensure equal treatment as regards the salary does not restrict or limit to the basic wage but includes all the components that form part of the remuneration.

The gender pay gap is the consequence of ongoing inequalities in the labour market which in practice mainly affects women. It is a multi-faceted social and economic phenomenon which results from the combination of a variety of factors.

The causes of the gender pay gap in Europe can be grouped into five types:

a) The undervaluing of women’s work

Frequently women earn less than men for doing jobs of equal value. One of the main causes is the way women’s competencies are valued compared to men’s.

Jobs requiring similar skills, qualifications, or experience tend to be poorly paid and undervalued when they are dominated by women rather than by men. For example, the (mainly female) cashiers in a supermarket usually earn less than the (mainly male) employees involved in stacking shelves and other more physical tasks.

In addition the evaluation of performance, and hence pay level and career progression, may also be biased in favour of men. For example, where women and men are equally well-qualified, more value can be attached to responsibility for capital than to responsibility for people.

⁵ Tackling the pay gap between women and men, 18 July 2007 – COM(2007)424.

Therefore, the issue of the segregated labour market and the value accorded to sectors of the economy dominated particularly by men must be taken into consideration in these situations. This is where the principle of “*work of equal value*” needs to be carefully examined.

Women are over represented in low-wages jobs (70% of low-wage earners in Europe are women).

b) Horizontally and vertically segregated labour market

Women are underrepresented in specific professions, sectors, industries and in managerial and in senior positions.

The labour market is characterised by sectors of activity and / or occupations of female and male dominance (horizontal segregation).

Generally, the female dominated jobs are characterised by low pay. On the one hand, women often predominate in sectors where their work is lower valued and lower paid, than those dominated by men. Women are represented twice as much as men in health, education and public administration. When we look at the health and social work sector alone, 80% of those working in this sector are women.

Vertical segregation of the labour market remains also a factor in determining the gender pay gap. Within the same sector or company women predominate in lower valued and lower paid occupations. Women are frequently employed as administrative assistants, shop assistants or low-skilled or unskilled workers – these occupations accounting for almost half of the female workforce. Many women work in low paying occupations (e.g.: cleaning and care work).

There are fewer women in positions of decision-making, the highest paid levels, even in these sectors where they are relatively well represented. And when they occupy these positions, they are in areas seen as less important, or the range of responsibilities is more limited. Women represent only 32% of managers in companies within the EU and 10% of members of management boards of the largest companies.

The overall segregation of the labour market leads to pay inequalities, since the value assigned to occupations mostly performed by men is superior to those which are performed by women.

c) Wage Structure/Composition of Pay

There are gender biases in numerous job qualification systems used by the enterprises which lead to lower pay related to jobs occupied mainly by women.

Individual and collective wage negotiations lead to typically female professions continually being paid less than professions that are traditionally being mainly pursued by men. Women skills are often not recognised and therefore not valued. This could partially be explained by the limited representation of women in collective bargaining as well as the type of working contracts offered to women in sectors where they are highly represented: short term/fixed contracts in for example the retailing sector.

Pay systems consist of several different parts of remuneration, sometimes negotiated on an individual basis and considered confidential. Women are often less aware and less prepared for these negotiations. Pay may include additional emoluments like bonuses that can explain further wage inequalities between women and men.

d) Reconciliation of work and Private Life

Women are likely to have more frequent and longer career breaks and more flexible working patterns in terms of hours worked due to family reasons than their male colleagues.

Family and care responsibilities are still not equally shared. Women experience greater difficulties than men in balancing work and private life because the task of looking after children and dependent family members is largely borne by women. Far more women than men choose to take parental leave. This fact, together with the lack of facilities for child care and elder care, means that women are often forced to reduce their working hours or exit the labour market to carry out child or elder care. After career breaks due to family reasons women often find it difficult to easily catch up on the salary levels of male colleagues.

Long⁶ family related interruptions from the labour-market and a high rate of part-time work are characteristics of employment histories of women in most Member States. As long as men's employment histories are not affected by the division of family responsibilities this remains a sustainable disadvantage.

Thus, balancing work and private life is often the cause of women having more career interruptions or working shorter hours than men. This can impact negatively on their career development and promotion possibilities and it also means less financially rewarding careers. One third of women work part-time, compared with fewer than one in ten men; the employment rate falls by 12.4 points for women when they have children under 12 to care for, while it raises by 7.3 points for men.⁷ There are also barriers that prevent men from availing of measures to reconcile professional and private life, of which pay is an important factor; this also needs to be addressed.

Moreover the gender pay gap constitutes a persistent disincentive for the employment behaviour of women. Poor income prospects are likely to lead to a low tendency to (re)enter into gainful employment, long employment breaks lead to more unequal pay – a vicious circle.

As long as women earn less than men, the take-up rate by women of reconciliation measures due to family reasons will be higher as in two-income households and the prospects of financial loss is lower.

However women can also be the main or sole breadwinner within a household and/or become so in cases of divorce, unemployment or death of their partner, and therefore support their family on a lower income. The gender pay gap is one of the reasons for poverty in these families. One of the consequences of the gender pay gap is inequality in pensions between women and men after retirement: earning lower pay means having a lower pension and it causes a higher risk of poverty for older women. Women working in part-time jobs (mainly because of their care responsibilities) are also affected by the gender pay gap. Another consequence is the impact of the gender pay gap on the own national protection systems. (e.g.: right to return to same job on same terms and conditions after maternity leave).

⁶ In certain countries (e.g.:Hungary) long.

⁷ Implementation of the Barcelona objectives concerning childcare facilities for pre-school-age children, Brussels, COM(2008) 598, Report from the Commission to the European parliament, the Council, the European Economic and Social Committee and the Committee of the Regions,

e) Traditions and Stereotypes

Segregation is frequently linked to traditions and stereotypes. Whilst in some cases this may reflect personal choices, traditions and stereotypes on the roles and expectations of women and men may influence, for example, the choice of educational path and consequently professional careers, particularly for girls and women leading them towards typically female professions which are less well paid.

While 59% of all university graduates are women, they are a minority in fields like mathematics, computing engineering.

Only 8.4 in 1.000 women aged 20-29 are graduates in mathematics, science and technology compared to 17.6 men. Consequently there are fewer women working in scientific and technical jobs: only 29% of scientist and engineers across Europe are women. This result in women working in lower valued and lower paid sectors of the economy.

Because of these traditions and stereotypes, societal expectations on women to reduce their working hours or exit the labour market to carry out child or elder care are far greater.

3) Which measures could be taken at European level to impact positively on the identified causes of the gender pay gap?

Changes to the current legislation (EU Directive) ought not to be the priority approach⁸ at the current time and attempts should be made to address the gender pay gap in other ways. However, it proposes at this stage that a number of options are open, notably, further discussion on possible changes and what these should be in an EU context and recommendations in light of the causes and consequences previously identified in relation to the gender pay gap.

At the beginning of working life and throughout their professional careers, information about earnings possibilities is especially important; therefore wages paid to persons being employed for the first time and throughout their professional career should be made transparent. Managers should ensure that newly recruited employees do not experience gender-based wage differentials, particularly where the recruits have equivalent qualifications. Employers should be actively encouraged to eliminate or prevent gender specific unequal pay, especially when recruiting women and men after having finished education in school or vocational training.

Many actors are responsible to achieve the closing of the gender pay gap. Together with the social partners, hidden discriminations – indirect discrimination - in collective agreements have to be eliminated and stereotypes in job evaluation have to be removed. We recognise however, that where social partnership is weak or non-existent, for example where workforce representation or trade union recognition in the private sector is low, much more emphasis will need to be placed on the responsibility of employers for delivering equal pay.

⁸ This was the opinion of some Advisory Committee members. However, at least one member stressed that the legislative route should not be disregarded particularly in light of the gender pay gap in the context of the mobility of workers, for which further EU legislation would provide standard rules across Member States. Another member pointed out that the positive action provisions in the 2006 Equal Treatment Directive could, through a small legislative change such as a recital, be used to address measures that enable equal opportunities at work for women and men.

The following recommendations are being proposed:

3.1. Re-valuing women's work

The composition of pay and wage structures: the need for transparency

One of the main difficulties lies with the definition of the composition of 'pay' and wage structures. *Pay* and *income* can be easily distinguished as the former relates to remuneration for work procured in employment settings while the latter includes remuneration beyond employment related pay (capital gains, children's allowance and other benefits, etc). However, pay in employment is also composed of additional elements, some of which are more visible than others, necessitating more transparency in the composition of wage structures. It is primarily in the invisible aspects of the wage composition that the gender pays gap is hidden.

The existence in many countries of a minimum salary provides a guarantee for lower income brackets (women and men) from discrimination in pay.

On the other hand, evidence suggests that the higher the echelon of the employee, the wider the exposure to a gender pay gap becomes. This can be explained by a number of factors: firstly, the under representation of women in managerial and decision-making posts means that women do not have access to the aspects of pay that are factored in wage structures, notably, company profit margins and/or assets such as shares. Secondly, individual performance assessment can therefore be a discretionary factor of which the employer holds the key in the determination of wage structures. The time factor plays an important role here in terms of hours worked (including overtime and night work) and the time gap between women and men is determined by other factors such as caring responsibilities. Women are at a considerable disadvantage and are more likely to be excluded from aspects of pay such as bonuses and others advantages offered and that form part of the structure of wages (car, telephone, etc.).

Therefore, transparency in wage composition is urgently required, which includes information on discretionary elements of pay to enable women to strengthen their negotiating power in relation to pay and wage structures.

Another problem identified is the individual nature of equal pay litigation in which the alleged victim of unequal pay must often seek a comparator, however comparison across sectors and undertaking is generally not permitted, and proof of pay discrimination is information usually considered confidential and therefore facts from which it may be presumed that there has been direct or indirect discrimination are not easily to establish or not at all accessible.

Recommendations:

1) Transparency:

- Transparency policies in relation to wage composition and structures should be improved and encouraged, as well as other measures to prevent gender-biased effects of formally neutral criteria in relation with wages, with the support of Employers and Trade Unions as part of collective bargaining.
- Training, mentoring and coaching should be offered to women in order to help them to better negotiate their wage and all other aspects of the remuneration.
- It is also important to review regularly pay scales and to implement jobs classification systems, ensuring they do not include any direct or indirect discriminatory features. It is also important to determine the level of which factors such as age, civil and family status, child(ren)/family

member dependency, level of education, individualisation of wage setting practices and type of contract (short term/fixed, long term/open) play a role in indirect pay discrimination.

2) Equal value:

- While the law has played a fundamental role, this alone is not enough to eliminate wage discrimination, particularly indirect discrimination. To address the pay gap we need to develop other tools to, in particular, address the concept of value of work. In particular, it is essential to point out that the criteria used to assess the value of work have changed dramatically since the last decades as labour relations, working conditions and the emergence of new jobs have evolved; it all makes it necessary to review such criteria in depth.
- There is a need to evaluate and amend accordingly the job classification systems in order to eliminate the bias that can contribute to direct and indirect pay discrimination.
- It is essential to develop and employ job evaluation schemes free from gender bias in order to measure and compare the jobs whose contents are different but are of equal value.
- The compliance with the Directive on Part-Time Work⁹ should be ensured, particularly with regards to the calculation of hourly-wage in part-time work.
- Make use of objective elements to assess the value of work and in doing so also take into account the difference between women and men in reconciling work and family responsibilities.

3) Role of Social Partners

- The social partners should actively engage in fostering equal pay and collective bargaining practices should include a provision concerning the implementation of the principle of equal pay between men and women.
- Social partners should provide training courses on negotiation skills, including wage negotiation for officials and members.
- Promote awareness of equal pay issues for the judiciary and other involved in determining equality cases in this field.
- Social partners should promote equal pay in the first instance with the view to working towards compulsory pay audits or to establish metrics for gender pay reporting to analyse the gender pay gap within enterprises and organisations and they must justify an eventual pay gap between men and women.
- Social partners should actively strengthen women positions within the social partnership structure, in particular in decision-making jobs/posts and at the same time it is relevant to review working representation structures in companies with a view to act more efficiently in favour of gender equality.
- Social partners should negotiate Plans for Equality between men and women at company level and in sectors.

4) Role of the Member States and the European Commission

Member States should allow social partners to negotiate Plans for Equality between men and women at company, national and European level.

Member States and the European Commission should encourage the social partners, including employers, to undertake job evaluation schemes free from gender bias; to implement job classification systems; and to foster the concept of job of equal value.

⁹ COUNCIL DIRECTIVE 97/81/EC of 15 December 1997 concerning the Framework Agreement on part-time work concluded by UNICE, CEEP and the ETUC

3.2. The need for greater reconciliation measures for women and men to balance professional and private life

As previously outlined, the gender pay gap cannot be dissociated from the patterns of women's paid employment, which mirrors their child/family dependent care responsibilities. A downward spiral can be established in which, when faced with decisions to take time off to care for family members, women are more likely to opt for parental leave measures because their loss in earning will have a lesser effect on the global family income.

Policies that address the care needs of children and dependent persons in terms of quality, accessibility and affordability are also urgently required to ensure that women and men have equal opportunities on the labour-market, on a more equal footing with men, which in turn will strengthen their negotiating power in relation to pay. This is particularly important for women.

The organisation of different working times, including telework (also in combination with other forms of flexible working arrangements) should be encouraged as options available to all, along with other flexible working arrangements and the right to request part-time working for parents and carers. Quality part-time work should be more readily available.

Recommendations:

Strengthen policies and provision to reconcile professional and private life for both women and men, putting in place a balanced, integrated and coherent policy mix, comprising in particular the three following areas:

- Strengthen provisions for parental and other family related leave and care policies according to the national context due to the complexity of different leaves (e.g. variations in the length of leaves etc.) and taking into account the work being done at EU level on these matters. Paid parental leave measures need to be strengthened and might include non transferable periods of leave, where appropriate, to ensure that obstacles are removed for men to take their share of care so that parental leave is not considered by them as career-threatening and financially risky and that women are not seen as a risky and expensive employee-pool on the basis that their probability to take leave is far greater than their male colleagues. Preventing maternity leave from adversely affecting women's career development should be encouraged.
- The continuation of efforts to meet the Barcelona targets on the provision of childcare facilities and development of other services for facilitating the work/life balance of both women and men. Member States should be encouraged to address the provision of adequate, affordable and quality care for children and other dependants to enable women and men to contribute equally at work. Simultaneously an increased and equal role for men in child care and care for other dependants should be encouraged.
- Exploring and promoting innovative forms of working arrangements that benefit both the individual men and women and the employer. The regulation and organisation of working time can allow workers (male/female) to have a better work-life balance. Specific flexible working time arrangements, e.g. adapted schedules or reversible part time work, could complement a general family friendly working time organisation. The best results are achieved through dialogue between the worker and employer at company level.
- The part-time Directive needs to be evaluated in order to investigate its impact to job segregation and how to tackle the part-time pay gap.

3.3. Address the gender-segregated labour-market

3.3.1) Exchange of good practice

The exchange of good practice at Community level can help to improve the understanding of the problem and disseminate innovative solutions to combat it. Some examples of good practice are included below. While these are not exhaustive, the Advisory Committee proposes that existing examples of good practice are compiled and disseminated widely. These will also assist the different actors in addressing the pay gap.

Campaigns - Equal Pay Day: Belgium, Germany, Austria, the Netherlands

United Kingdom: Equality Bill ¹⁰ Equal Pay Day campaign¹¹

Spain: Organic Act 3/2007 for the Effective Equality between Women and Men, Corporate Equality Plans

European Social Partners – Framework of actions on gender equality¹² – annual reports provide many good examples of what can be achieved through partnerships, joint initiatives and positive action/voluntary approach.

The availability of relevant information is an important point when tackling the gender pay gap. Therefore, the dissemination of information among employers and employees is an important tool to raise awareness of the extent and seriousness of the problem.

Currently, policies in this respect vary from initiating a study to the organisation of a national Equal Pay Day.

Recommendations:

- Create a European Equal Pay Day and systematic, periodic campaigns to create sustained awareness of the issue of the gender pay gap, focusing on employers and employees.
- Improve statistical data collections, including data on the part time pay gap and the pension gap.
- Facilitate an ongoing exchange of good practice between Member States. Compile existing practices in Member States and disseminate widely.
- Make funding available from the European Social Fund and PROGRESS to facilitate exchanges and partnerships, in collaboration with the European Gender Institute, as appropriate.

¹⁰ As of May 2009, the Equality Bill will shortly be before Parliament, which is likely to improve transparency through for example, provisions banning pay secrecy clauses.

¹¹ Organised by the Fawcett Society [voluntary organisation]

¹² Framework of actions on gender equality, adopted in March 2005, in which “Tacking the gender pay gap”, along with “addressing gender roles; promoting women in decision-making and supporting work-life balance”, is one of the four priorities for action, considered to be “interconnected and of equal importance.” For more information on examples of good practice, see: European Trade Union Confederation, BusinessEurope/UEAPME, European Centre of Entreprises with Public Participation and of Entreprises of General Economic Interest: “Framework of Action on Gender Equality, Third follow-up report, 2008, adopted by the Social Dialogue Committee on 12 November 2008

3.3.2) Breaking the cycle of gender stereotypes and traditions

While many actors intervene in maintaining and perpetuating gender stereotypes and traditions, the media in general and especially the advertising industry should be urged to disseminate images and contents without gender stereotypes.

Recommendations:

- In this field, the Member States and the European Commission should collaborate in awareness-raising actions to combat stereotypes in order to help women and men tap their full potential.
- The Commission should encourage actions to address the stereotyping of educational and career choices in particular of young people, to help address occupational segregation. These actions have to target young people, parents, teachers, career advisors, employers, social partners and trainings.
- A handbook and other guidance tools should be developed in order to encourage women and men to choose atypical careers.

3.3.3) Comparability of Statistics

The capacity for analysing and understanding the principal factors which determine the pay gap depends very much on the quality and comparability of the statistics. Therefore it is important that statistics are coherent, comparable and complete. The European Union plays an important role in producing comparable statistics and in initiating the collection of comparable data in the Member States.

The pay gap is not an indicator of the overall equality between women and men since it measures only the earning differences between men and women that are in paid employment. Nevertheless it is an important and influential measure and it should be developed and reviewed in conjunction with other indicators linked to the labour market such as employment rate, indicators of gender segregation of the labour market and part-time work.

Overall macro-type surveys are not enough to provide facts in order to establish accurately where the gender pay gap is the most crucial, nor the national/sectoral/subsectoral overall features provide enough arguments for the representatives of the different trade unions to combat against the gender pay gap. The available data to date have not always been sufficient to identify the complex reasons. In fact, even with a lot of research this alone will not help to distinguish all the different conditions and segments of the gender pay gap manifested in the labour market. As a general rule factors relating to social gender stereotypes, the need for reconciliation of work and family life, the absence of women on the higher decision-making levels tend to be highlighted in relation to the gender pay gap. Data provided by the employers might help to identify the reasons of these components on a micro-scale level and to recognise the overall phenomena..

Recommendations:

- Provide statistical surveys regarding the working conditions of women and men so that these can be used to evaluate the extent of and the factors that maintain the pay gap.
- Encourage employers to provide statistical data periodically for the same reference period (e.g. same starting and finishing date).
- Provide overall statistics and data on the gender pay gap at European level that include data provided by Eurostat and data provided by companies in EU Member States collated within a

common time frame and on the basis of similar criteria. Besides collecting new, comparable data, those existing already should be analyzed more broadly on European level¹³.

- Seek the expertise and input of the EU Gender Institute.
- Mainstream the gender pay gap into other EU macro economic policies by providing a gender pay indicator in the macro economic guidelines and/or employment guidelines of the post Lisbon Strategy on Growth and Jobs in order to build a fair and family-friendly labour market for both women and men.

3.4) Collaboration between different actors

Different actors intervene in tackling the gender pay gap; above all coherence among actors is crucial, especially along those that are not Social Partners, but have a role to play in steering women and men towards the labour market and ensuring that they have the right to recourse in addressing the gender pay gap.

Recommendations:

- National Employment Agencies should be mobilised in order to diminish gender segregation in the labour market.
- National Gender Equality Bodies and National Employment Agencies should work together to make women and men, employers and social partners fully aware of the existence of the gender pay gap, its causes, its consequences and the means to address it.
- Training and sensitisation on the content of the gender equality legislation should be provided to national labour inspectorates, labour auditors, judges, lawyers.

4) Could amendments to relevant Community law (essentially Directive 2006/54/EC) help in tackling the gender pay gap? If so, which kind of amendments?

As noted above (at the beginning of section 3) the Working Group felt that changes to the current legislation (EU Directive) ought not to be the priority approach at the current time and that attempts should be made to address the gender pay gap through other routes, in particular encouragement of best practices. If changes to Community law were to be considered in due course, however, the Advisory Committee would propose amendments in the following areas.

Recommendations:

1. A major issue for forthcoming amendments of Community law should be the improvement of information and **transparency** regarding the wages paid by employers. During the entire working career, in particular at the beginning of it, information and transparency of pay has to be guaranteed. Lack of information and transparency is an essential factor for the existing gender pay gap, taking into account that transparency regarding wages is not enough to guarantee an absence of discrimination. Much indirect discrimination is produced through formally neutral and objective criteria but with a gender-biased effect.

¹³ See Council Regulation EC 530/1999 of March 1999 on Structure of Earnings Survey and Commission Regulation EC 1916/2000 of 8 September 2000

2. Employers should be strongly encouraged to adopt a **transparency policy** in relation to wage composition and structures, including extra pay, bonuses and other advantages forming part of the pay. This could be part of collective bargaining, supported by the trade unions.
3. Evaluation of the Part-time Directive with non-discriminatory obligations and investigation concerning the insufficient impact of the Directive.
4. Consistency with the provisions of other Directives, notably, the disposition in Directive 2006/54 to forbid the reference to familial and/or personal elements in the labour contracts and collective agreements.
5. Encourage the negotiation of Plans on Equality between women and men at company, sectoral, national and European level.
6. Explore ways in which the **legislative framework could be more supportive of the work** of the national governmental bodies that have an inspection function in their efforts to promote the enforcement in equal pay where it is necessary.
7. Ensure that the powers and mandate of the national **equality bodies** are adequate to enable them to address and overcome inequalities in pay among persons undertaking equal work or work of equal value.
8. Consider ways of encouraging Member States to increase or implement a greater working **coordination** between the national **bodies that have an inspection function** in the labour market and the national **gender equality bodies** where it is necessary.
9. Mainstream the gender pay gap into other EU macro economic policies by providing a **gender pay indicator** in the macro economic guidelines and/or employment guidelines of the **post Lisbon Strategy** on Growth and Jobs in order to build a fair and family-friendly labour market for both women and men.
10. Delivery of public policy should be a public sector lever for gender equality e.g. using procurement. Public sector has an opportunity to use its purchasing power to promote equality.
11. Consider ways of encouraging Member States to incorporate gender pay gap elimination policies to measures against economic and financial crisis as an appropriate way to influence positively both processes.
12. Employers and companies should be strongly encouraged to incorporate Equality Plans as a way to address labour relations inside the company, including gender differences in wages.